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Assembly
California Legislature



ROGER DICKINSON
ASSEMBLYMEMBER, NINTH DISTRICT

10-11-1 & 10-11-2

December 15, 2010

Ms. Mary Nichols, Chair
California Air Resources Board
1001 I Street
P.O. Box 2815
Sacramento, CA 95812

Dear Chairwoman Nichols:

I write in strong support of the proposed regulations to implement a California Greenhouse Gas (GHG) Emissions Cap-and-Trade Program (Program), which the California Air Resources Board (CARB) is scheduled to hear at its next meeting on Thursday, December 16, 2010.


I am pleased that the development of the proposed regulations included significant public input and that a number of public meetings and workshops were held to receive and review feedback from stakeholders and the public. Due to the flexibility of the cap-and-trade program, it is difficult to predict how entities covered will be complying with the program, however, the evaluation and mandatory reporting requirements will CARB and us as policymakers to make any adjustments to the program as necessary and will keep us informed on the progress of the program implementation process.

In considering the final Program to be adopted, I would urge CARB to consider the following issues. First, while I understand the rationale for initially distributing most allowances at no cost, I would suggest that a significant percentage of the allowances be sold rather than given away. By selling more and giving away fewer allowances, the allowances should have greater initial value and would generate more revenue to be used for other activities, which will reduce GHG emissions. Second, proceeds from the sale of allowances should be available to such entities as transit districts and local governments, which can implement on-the-ground measures and operations that have significant GHG emission reduction benefits. Third, the array of offsets recommended appears unduly limited. In particular, the Program should provide for opportunities for offsets which can be implemented in local communities as an element of economic development or satisfaction of California Environmental Quality Act (CEQA) mitigation requirements. Fourth, as CARB staff recognizes, monitoring of the Program will be crucial to its success. Given limitations on resources available to CARB, it would make sense to involve entities such as transit districts, air districts, and local governments as much as possible in the implementation and monitoring of the Program.

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In approving and implementing the proposed regulations, California will be taking the first step in avoiding the devastating consequences of global warming and climate change. I applaud the Board's leadership and your staff's work in developing such regulations and will follow closely the future developments of the Program.

Sincerely,



ROGER DICKINSON
Assemblymember, 9th District

RD:cm

CC: Members of the Board